

Mayor Charles "Skip" Lee called a meeting of the Sterling City Council to order at 6:30 pm on Tuesday, February 17, 2015. Roll call. Present: Aldermen Retha Elston, Joe Martin, Lou Sotelo, and John Stauter. Absent: Barry Cox and Chris Schuchard.

Also present were City Attorney Ron Coplan, City Management Intern Kevin Smith, Finance Director Cindy Von Holten, Superintendent of Building and Zoning Amanda Schmidt, Fire Deputy Chief Mike Dettman, Police Chief Ron Potthoff, and City Clerk Marie Rombouts.

The Pledge of Allegiance was recited.

Rod Kleckler, President of the Sauk Valley Landlord Association, spoke about collateral damage. He believes the Rental Inspection Program will cause landlords to charge an additional \$20 monthly. This money will come out of the local economy and that is not acceptable. Thus, causing collateral damage.

Larry Woosley stated that he researched the Illinois Census website. Our community is very depressed. The average household income is 30% less than the state's average. Tenants can't afford more rent. The Rental Inspection Program is not right for our community at this time.

Alderman Elston made a motion to approve the Consent Agenda as follows:

A) City Council Minutes of February 2, 2015

B) Bills and Payroll totaling \$1,011,502.62

The motion was seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Martin, Sotelo, and Stauter. Nays – None. Motion carried.

Mayor Lee asked Deputy Chief Dettman to introduce Firefighter Clark Liedberg. Clerk Rombouts administered the Oath of Office and Liedberg was pinned by his father Mike Liedberg.

Alderman Sotelo made a motion to pass **Ordinance #2015-2-3 Amending Section 10-74 of the City Code, Limitation Upon Placement for Gaming Devices**, limiting gaming devices to establishments with 60% of the floor space devoted to the sale of liquor and/or food or that 60% of the gross proceeds are derived from liquor and/or food; seconded by Alderman Martin. Attorney Coplan explained this change is consistent with Whiteside County's proposal. Rockford has a similar code that requires 40% be dedicated to liquor sales. This ordinance will ensure licensed premises are primarily dedicated to liquor and/or food. Voting: Ayes – Aldermen Elston, Martin, Sotelo, and Stauter. Nays – None. Motion carried.

Alderman Elston made a motion to approve **Resolution #R2015-2-2, a Supplemental 2014 Resolution authorizing an additional \$25,000 for road maintenance related expenses**; seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Martin, Sotelo, and Stauter. Nays – None. Motion carried.

Alderman Sotelo made a motion to approve the Easement Agreement with Sterling Steel for property under the Avenue G Bridge, allowing Sterling Steel to improve the roadway and continue transporting product and materials into the future; seconded by Alderman Stauter. Attorney Coplan stated that IDOT is aware of the easement and has no objections. Voting: Ayes – Aldermen Elston, Martin, Sotelo, and Stauter. Nays – None. Motion carried.

With no further business to discuss, the meeting adjourned to a study session on the budget at 6:45 pm. Mayor Lee declared a five minute recess before budget discussions.

Director Von Holten reviewed the following funds:

- Lynn Boulevard Project Fund Bond Issue – will be paid this year, freeing up approximately \$200,000 for other street projects.
- McFalls Landfill Project – last major payment will be made to the City in May, leaving an outstanding balance of \$150 from two parties. The City is unsure how to pursue those court-ordered payments.
- Motor Fuel Tax – Mayor Lee asked what can come from MFT funds. Von Holten noted a few examples of bond payments, road construction, and street lighting.
- Band Commission – possible guest instrumentalist may require funds from their reserve account this summer.
- Sterling Industrial Development Commission – rental revenue is down.
- Coliseum Board – more expenses expected because of elevator replacement for \$250,000. Elevator is 33 years old and normal life expectancy is 20 years. Questions were raised about savings by using ServiceMaster versus employees.
- Civil Defense Fund
- TIF Lincolnway-Lynn Fund – Kohl's and Petsmart. Bonds retire in 2032.
- 2012 CGH Medical Center Bond Fund – just an in/out account.
- Special Service Area Fund – Tori Pines expires 2016 and is already paid off. Greenridge has changed hands several times and property taxes are not coming in. If taxes are not received, City will not make bond payment. It will not affect the City's credit rating. Greenridge is primarily vacant lots.
- Trust Committee Fund – The Veteran's Monument is on hold.

Von Holten reported there is approximately a \$320,000 deficit for the FY 15-16. Telecommunication and cable franchise fees are down. Health insurance premiums are

up 15% due to significant claims over the last year. General insurance is up 10%. Sales tax growth is slow and state income tax transfers are down.

The meeting closed at 7:52 pm.

Marie Rombouts
City Clerk